

Updated July 25, 2006

Minimum Wage Packet

- Democrats believe Congress should not get a pay raise until it has raised the minimum wage for hard-working Americans.
- Bush Republicans voted against increasing the minimum wage, but now they're ready to give Congress a pay raise.
- It is not fair that Americans are working more and making less, while Republican Congress is working less but wants to make more. (House has been in session just 65 days this year, tying a 56 year low.)
- If Republicans don't join Democrats to raise the minimum wage, Republicans will stand alone in supporting the Congressional pay raise.
- Average CEO now earns 821 times more than a minimum wage worker, earning more before lunchtime than minimum wage worker earns all year.
- Republicans take the country in the wrong direction:
 - Wrong to have millions of Americans working full-time and year-round and still live in poverty.
 - Wrong to give Congress a raise when millions of workers haven't had a penny raise in nine years.
 - Wrong to give tax cuts for the wealthy few and nothing to minimum wage workers.
- Nearly 15 million Americans will benefit from a minimum wage increase to \$7.25 an hour.
 - 6.6 million directly
 - 8.3 million indirectly
 - Almost 60% of these workers are women
 - 40% are people of color
- Raising minimum wage to \$7.25 an hour = additional \$4,400/year for family of three.
 - 15 months of groceries
 - Over two years of health care
 - Two years of college tuition at a public, 2 year college

Office of the Democratic Leader Nancy Pelosi

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A Vote on the Minimum Wage?

Minimum Wage: Background

In the Bush Economy – marked by rising housing, healthcare, gas, and college costs, and declining real wages – workers are being forced to do more with less, even while corporate profits continue to grow and the wealthiest Americans get even richer.

Democrats believe that Congress has a moral obligation to ensure all working Americans earn a fair wage, and have been trying for several years to increase the minimum wage. No American who works full-time, all year, should live in poverty.

Republicans have prevented an increase in the minimum wage and blocked even a vote on the House Floor – until now. Democratic Whip Steny Hoyer successfully offered in Committee an <u>amendment</u> to the FY07 Labor, Health and Human Services Appropriations Bill similar to Rep. George Miller's bill to raise the minimum wage from \$5.15 an hour to \$7.25 an hour over two years. The Hoyer amendment sets up the first House Floor vote in a decade.

As a result, Republicans have pulled the LHHS bill from Floor consideration the week of June 19th – and it is not clear when they will bring the bill to the Floor.

Democrats increased the pressure on Republicans this week by offering the Hoyer amendment to the Science, Justice, State Appropriations Bill in Committee. All Republicans voted against it (including five of the seven who supported the amendment the previous week, the other two left the room and did not vote). In a week when Republicans are pushing for a drastic cut in the estate tax, which benefits only the wealthiest few, this vote was a clear demonstration of the differing priorities of Democrats and Republicans.

Minimum Wage: Basic Facts

- Congress has not raised the minimum wage since 1997
- The minimum wage is now at its lowest level in 50 years (adjusted for inflation)
- If the minimum wage had been indexed for inflation since 1968, it would be \$9.05 today
- It's impossible to make even the most basic ends meet on \$5.15 per hour
- A minimum wage earner working full-time all year will earn just \$10,700
- It takes a full day's pay for a minimum wage earner to pay for one tank of gas
- 6.6 million people would benefit from a raise in the minimum wage
- Hundreds of thousands of parents with children under the age of 18 would benefit
- About three-quarters of minimum wage workers are adults over the age of 20, many of whom are responsible for over half of their family's income
- 86% of Americans support a raise in the minimum wage (Pew, December 2005)
- There is no evidence of job loss following minimum wage increases. A study released by the Center for American Progress and Policy Matters Ohio in May 2006 found that between 1997 and 2003:
 - Employment in small businesses grew more (9.4%) in states with higher minimum wages than federal minimum wage states (6.6%)
 - Inflation-adjusted small business payroll growth was stronger in high minimum wage states (19.0%) than in federal minimum wage states (13.6%)



News From The United States Congress

For Immediate Release June 22, 2006

Contact:

CONGRESS TO GIVE ANOTHER TAX CUT TO MILLIONAIRES, WHILE BLOCKING MINIMUM WAGE INCREASE

WASHINGTON, DC –The U.S. House of Representatives is expected to vote today on a fiscally irresponsible Republican bill that will nearly eliminate the estate tax, which only affects the heirs of the very wealthiest Americans. At the very same time, Republican leaders are blocking a bill that contains a long-overdue increase in the federal minimum wage from being considered on the House Floor as previously scheduled.

"It is unacceptable that the Republican Majority in the House will vote today to give a tax cut to the heirs of millionaires while blocking an increase in the minimum wage for millions of hardworking Americans," said Rep. XXX. "This Republican-controlled Congress already approved an average tax cut of \$42,000 this year to those making more than a million dollars annually. Instead of rewarding the hard work of Americans struggling to make ends meet, Republicans are hard at work making sure the heirs of the wealthy few get an enormous tax break."

The minimum wage is at its lowest level in 50 years when adjusted for inflation and Congress has not increased it since 1997.

"Republicans are once again showing that they do not share the priorities of most Americans," Rep. XXX added. "The Republican estate tax bill is fiscally irresponsible – costing \$280 billion in the first ten years alone – and it would only drive us deeper into debt. And, it only helps the 3 in 1,000 estates that would owe any estate tax. This bill is not about small business owners and farmers.

"More than 80 percent of Americans support increasing the minimum wage. This is an issue of fairness. Democrats will not stop fighting until we pass an increase in the minimum wage," concluded Rep. XXX.

Last week, House Democrats on the Appropriations Committee successfully attached an amendment to raise the minimum wage to the FY07 Labor, Health and Human Services Appropriations Bill. The amendment is based on a Democratic bill that would gradually increase the minimum wage from \$5.15 to \$7.25 over two years. The minimum wage amendment passed in Committee with bipartisan support, but Republican leaders have stopped the Labor-Health bill from coming to the Floor this week as previously scheduled because they fear an attempt to strip the minimum wage increase from the bill would fail. Instead, Republicans scheduled a vote on the estate tax bill.

A minimum wage earner who works full-time all year earns just \$10,700, leaving them well below the poverty line. In the United States, 6.6 million people would benefit from a raise in the minimum wage, including 1.6 million who are parents with children under the age of 18.

Roughly three-quarters of minimum wage workers, 4.7 million workers, are adults over the age of 20, and many are responsible for over half of their family's income. If the minimum wage was equal to what it was at its highest point (1968) it would be \$9.05 (as of January 2006).

Rep. XX has signed a "discharge petition," which would force a Floor vote on the Democrats' minimum wage bill if supporters secure 218 Member signatures. There are currently 189 signatures on the petition.

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RAISING UP AMERICAN FAMILIES: WORKING WOMEN & INCREASING THE MINIMUM WAGE

- The real median income of American women has increased less than \$50 since 2001. On average, working women earn less than 77 cents for every dollar working men earn. [Census, 8/05]
- More than four million hardworking women including 700,000 single mothers would definitely receive a pay raise and an additional 4.7 million would likely see increased pay if the minimum wage were increased to \$7.25 an hour. [EPI, 6/06]
- 59 percent of all workers benefiting from an increase in the minimum wage to \$7.25 are women. [EPI, 6/06]
- Minority women would disproportionately benefit from the increase: 33 percent of female beneficiaries would be African-American or Hispanic, even though these groups comprise only 24 percent of the female workforce. [Center for American Progress, 9/2004]
- Hispanic women were two times as likely as Hispanic men to earn \$5.15 per hour or less. [Bureau of Labor Statistics, 5/06]





RAISING UP AMERICAN FAMILIES: AFRICAN AMERICAN, HISPANIC & ASIAN AMERICAN WORKERS AND INCREASING THE MINIMUM WAGE

AFRICAN AMERICANS

- Over the last five years, the number of African Americans living in poverty has grown by 1.4 million, and the real median household income of African American families is down \$2,273. [CPS, 8/05]
- More than one million hardworking African Americans would definitely receive a pay raise and an additional 1.4 million would likely see increased pay if the minimum wage were increased to \$7.25 an hour. [EPI, 6/06]
- Minority women would disproportionately benefit from the increase: 33 percent of female beneficiaries would be African-American or Hispanic, even though these groups comprise only 24 percent of the female workforce. [Center for American Progress, 9/2004]
- Minimum wage earners working 40 hours per week, 52 weeks per year make \$10,712 a full \$5,000 below the poverty line for a family of three.

HISPANICS

- Over the last five years, the number of Hispanic Americans living in poverty has grown by more than one million and the real median household income of Hispanic American families is down \$2,141. [CPS, 8/05]
- Nearly 1.4 million hardworking Hispanic Americans would definitely receive a pay raise and an additional 1.4 million would likely see increased pay if the minimum wage were increased to \$7.25 an hour. [EPI, 6/06]
- Minority women would disproportionately benefit from the increase: 33 percent of female beneficiaries would be African-American or Hispanic, even though these groups comprise only 24 percent of the female workforce. [Center for American Progress, 9/2004]
- Hispanic women were two times as likely as Hispanic men to earn \$5.15 per hour or less. [Bureau of Labor Statistics, 5/06]
- Minimum wage earners working 40 hours per week, 52 weeks per year make \$10,712 a full \$5,000 below the poverty line for a family of three.

ASIAN AMERICANS

- Fourteen percent of Asian American/Pacific Islanders have incomes at or below the poverty level. [www.AAPI.gov]
- An estimated 144,000 hardworking Asian American workers would definitely receive a pay raise and an additional 198,000 would likely see increased pay if the minimum wage were increased to \$7.25 an hour. [EPI, 6/06]
- Minimum wage earners working 40 hours per week, 52 weeks per year make \$10,712 a full \$5,000 below the poverty line for a family of three.





Democrats Create Minimum Wage Momentum

<u>July 19:</u> House Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Rule on H.R. 2389, the Pledge Protection Act of 2005. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #382)

<u>July 13:</u> 28 House Republicans send a letter to Majority Leader Boehner asking for a vote on the minimum wage before the August recess. Democrats have vowed to block increases in Congressional pay until the minimum wage is increased.

<u>July 12:</u> 64 House Republicans indicate support for increasing the minimum wage by voting for a Democratic Motion to Instruct Conferees to S. 250, the Vocational Education Improvement Act. The Motion instructed Conferees to accept the bill's purpose as creating high-skilled and high-wage jobs, which the Fair Minimum Wage Act defines as jobs paying more than \$7.25 per hour. (Roll Call #366)

<u>July 12:</u> House Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Rule on the Credit Rating Agency Act. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #364)

July 11: Republican Chris Shays (CT) signs on to the Barrow discharge petition to force consideration of the Fair Minimum Wage Act. As of 7/14/06, 190 Democrats have signed the discharge petition.

<u>July 11:</u> House Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Rule on the Internet Gambling Prohibition Bill. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #360)

<u>June 29:</u> Republicans vote against increasing the minimum wage by voting for a 4th of July recess adjournment resolution without consideration of a bill to increase the minimum wage. (Roll Call #353)

<u>June 27:</u> Republicans vote against increasing the minimum wage by voting for the Rule on the FY07 SSJC Appropriations Bill, which blocked the Obey-Hoyer-Mollohan minimum wage increase amendment from consideration. (Roll Call #319)

<u>June 22:</u> Republicans vote against increasing the minimum wage by refusing to appeal the Ruling of the Chair on a Rangel motion which included an increase in the minimum wage. (Roll Call #313)

June 22: Republicans vote against increasing the minimum wage by refusing to defeat the Previous Question on the Estate Tax bill. Defeating the Previous Question would have allowed consideration of the Fair Minimum Wage Act. (Roll Call #308)

<u>June 21:</u> Ray LaHood tells reporters that he and other moderate Republicans approached Majority Leader Boehner after Boehner said he would likely not allow a vote on the minimum wage. According to LaHood, Boehner switched positions and told them "we will vote on a minimum wage increase."

<u>June 20:</u> Republicans on the Appropriations Committee defeat a Obey-Hoyer-Mollohan amendment to raise the minimum wage in a markup of the Science-State-Justice-Commerce Appropriations bill. Five Republicans, C.W. (Bill) Young (FL), James Walsh (NY), Don Sherwood (PA), Mike Simpson (ID), and Ray LaHood (IL) switch their votes from the Labor-H markup and vote against the minimum wage amendment. Two Republicans, Jo Ann Emerson (MO) and John Sweeney (NY), leave the room in order to avoid voting on the amendment, which they also supported during the Labor-H markup. Majority Leader John Boehner says he will "probably not" allow a vote on the minimum wage.

June 15: The House Republican leadership pulls the Labor-HHS bill from the floor schedule indefinitely.

<u>June 13:</u> An amendment offered by Whip Hoyer, based on a bill by Ranking Democrat on the Education and the Workforce Committee George Miller (H.R. 2429,The Fair Minimum Wage Act), passes 32-27 during the Appropriations Committee markup of the FY07 Labor-HHS spending bill. The amendment would gradually increase the federal minimum wage from \$5.15 to \$7.25 over 2 years. Seven Republicans on the committee vote for the Hoyer Amendment.

Timeline of Republican Opposition to the Minimum Wage

"I've been in this business for 25 years and I've never voted for an increase in the minimum wage. I am opposed to it, and I think a vast majority of our (rank and file) is opposed to it," House Majority Leader John Boehner, R-Ohio. [AP, GOP-Run Senate Kills Minimum Wage Increase, 6/22/06]

"I voted against that measure because raising the minimum wage harms consumers and prices Americans out of jobs," Rep. Jack Kingston [R-Ga.]. [Kingston blog, 6/13/06; http://kingston.house.gov/blog/?m=200606]

2006: House Republicans voted in effect to block consideration of the minimum wage increase. Republicans voted to table (kill) the Rangel appeal the ruling of the chair that the Rangel motion to recommit was not germane. The Rangel motion would recommit the bill with instructions to report the bill back to the House only after it has addressed the minimum wage issue. [H.R. 5638, Vote #313, Appeal the Ruling of the Chair to consider minimum wage, Motion to table agreed to 229-195: R 228-0; D 1-194; I 0-1; 6/22/2006]

During debate on the estate tax, Republicans voted to block consideration of a measure (H.R. 2429) to increase the minimum wage to \$7.25 over two years. [H.R. 5638, Vote #308, Previous Question on Estate Tax, Motion agreed to 226-194: R 224-0; D 2-193, 6/22/2006]

2005: House Republicans voted to block consideration of a bill to increase the minimum wage from \$5.15 an hour to \$7.25 an hour over two years (H.R. 2429, the Fair Minimum Wage Act of 2005). [H.Res. 351, Vote #365, Previous Question for considering H.R. 739, H.R. 740, H.R. 741, H.R. 742, 7/12/05, 223–191]

2004: Senate Republicans unanimously voted to block consideration of a Democratic amendment to increase the minimum wage by invoking cloture on the welfare reform bill. When Republicans failed to invoke cloture and could not prevent consideration of the minimum wage amendment, the Republicans stopped consideration of the welfare reform bill. [H.R. 4, Senate Vote 65, Motion rejected 51-47: R 50-0; D 1-46, 4/1/2004]

The Republican-controlled House Education and Workforce Committee refused to take action on H.R. 4256, "Fair Minimum Wage Act of 2004."

2003: The Republican-controlled House Education and Workforce Committee refused to take action on H.R. 965, "Fair Minimum Wage Act of 2003."

2002: House Republicans voted to block consideration of an amendment on the continuing resolution by Rep. Bonior to increase the minimum wage to \$6.65 an hour over two years. [H.J.Res. 123, Vote #467, 10/16/02, 209-193]

2001: The Republican-controlled House Education and Workforce Committee refused to take action on H.R. 665, "Fair Minimum Wage Act of 2001."

1999-2000: In 1999, Democrats waged a full-scale press to pass a minimum wage (H.R.325) for families struggling to get into the middle class -- launching a discharge petition to force consideration of this key issue in the fall. While Democrats succeeded in passing a minimum wage increase in the House and Senate – but House Republicans added it to a package of more \$240 billion in tax cuts (H.R. 2614) – in violation of an agreement with President Clinton. The Senate never considered the final measure.

1998: The Republican-controlled House Education and Workforce Committee refused to take action on H.R. 3100, "American Family Fair Minimum Wage Act of 1998"



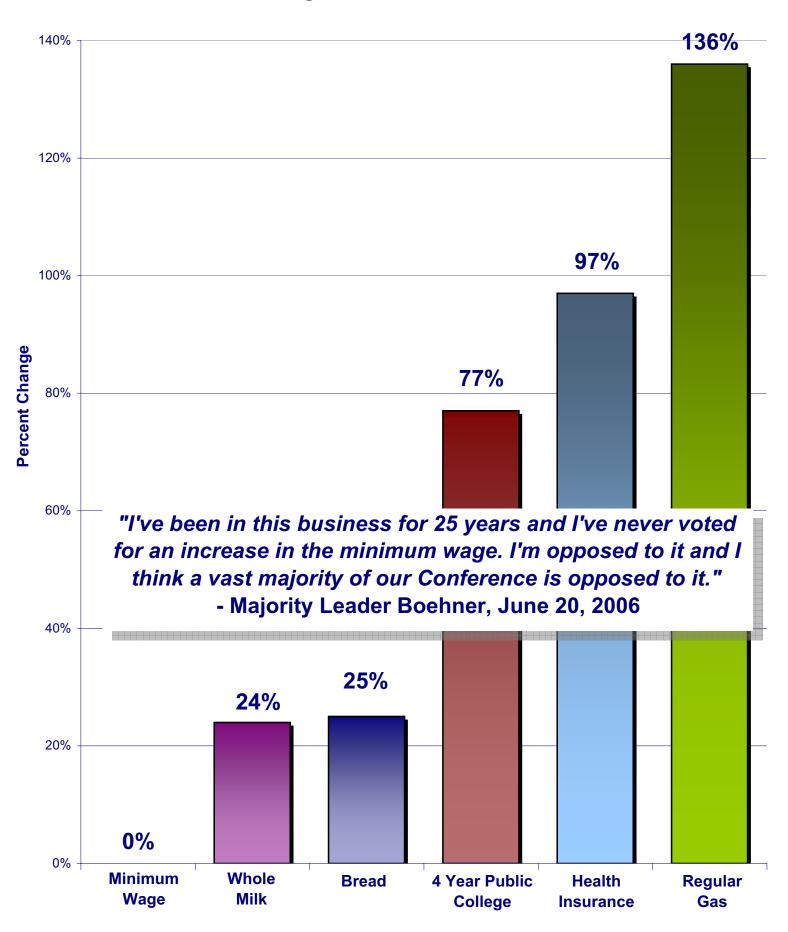


RAISING UP AMERICA'S FAMILIES: Minimum Wage Workers in the States

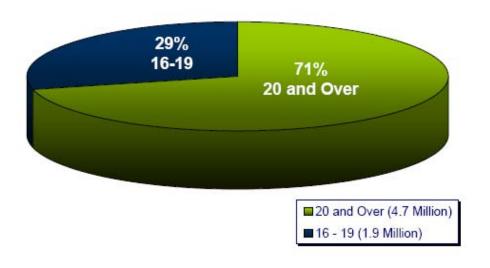
State	Current Minimum Wage Rate*	Workers definitely receiving a pay raise if federal minimum wage increased to \$7.25**	All workers affected by a federal minimum wage increase to \$7.25**
Alabama	\$5.15	157,000	345,000
Alaska	\$7.15	n/a	n/a
Arizona	\$5.15	160,000	382,000
Arkansas	\$5.15	116,000	219,000
California	\$6.75	405,000	486,000
Colorado	\$5.15	87,000	251,000
Connecticut	\$7.40	n/a	n/a
Delaware	\$6.15	n/a	25,000
DC	\$7.00	n/a	n/a
Florida	\$6.40	297,000	774,000
Georgia	\$5.15	213,000	688,000
Hawaii	\$6.75	n/a	5,000
Idaho	\$5.15	48,000	104,000
Illinois	\$6.50	133,000	144,000
Indiana	\$5.15	145,000	488,000
Iowa	\$5.15	129,000	260,000
Kansas	\$5.15	131,000	237,000
Kentucky	\$5.15	135,000	329,000
Louisiana	\$5.15	264,000	353,000
Maine	\$6.50	n/a	54,000
Maryland	\$6.15	84,000	199,000
Massachusetts	\$6.75	n/a	46,000
Michigan	\$5.15	135,000	726,000
Minnesota	\$5.25	82,000	139,000
Mississippi	\$5.25 \$5.15	139,000	200,000
Missouri	\$5.15 \$5.15	180,000	465,000
Montana	\$5.15	34,000	69,000
Nebraska	\$5.15 \$5.15	61,000	145,000
Nevada	\$5.15 \$5.15	57,000	144,000
New Hampshire	\$5.15	17,000	21,000
New Jersey	\$6.15	135,000	265,000
New Mexico	\$5.15	71,000	146,000
New York	\$6.75	342,000	700,000
North Carolina	\$5.15	275,000	656,000
North Dakota	\$5.15 \$5.15	22,000	49,000
Ohio	\$5.15 \$5.15	339,000	928,000
Oklahoma	\$5.15	124,000	246,000
Oregon	\$7.50	124,000 n/a	246,000 n/a
Pennsylvania	\$5.15	329,000	808,000
Rhode Island	\$7.10	329,000 n/a	29,000
South Carolina	\$5.15	179,000	325,000
South Dakota	\$5.15 \$5.15	33,000	64,000
Tennessee	\$5.15 \$5.15	153,000	447,000
	\$5.15 \$5.15	888,000	·
Texas	181	,	1,774,000
Utah	\$5.15 \$7.25	81,000	180,000
Vermont	\$7.25	n/a	n/a
Virginia	\$5.15 \$7.63	178,000	462,000
Washington	\$7.63	n/a	n/a
West Virginia	\$5.15	67,000	134,000
Wisconsin	\$5.70	125,000	313,000
Wyoming	\$5.15	17,000	41,000

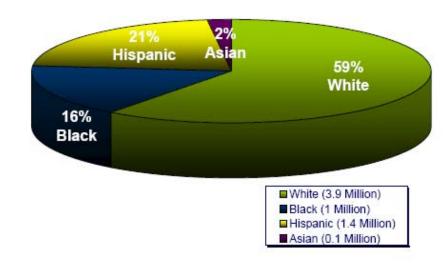
Wrong Priorities Under Bush:

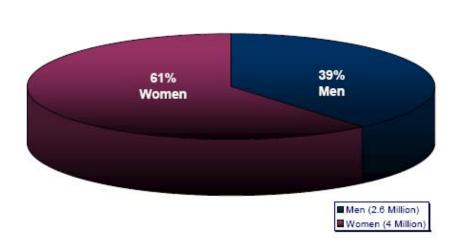
While the Minimum Wage has not increased since 1997, see what has:

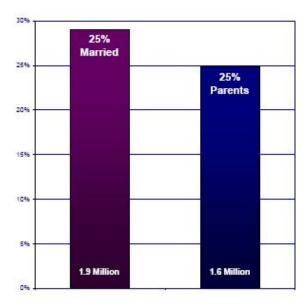


Democrats' New Direction Will Benefit Millions of Families Through a Minimum Wage Increase

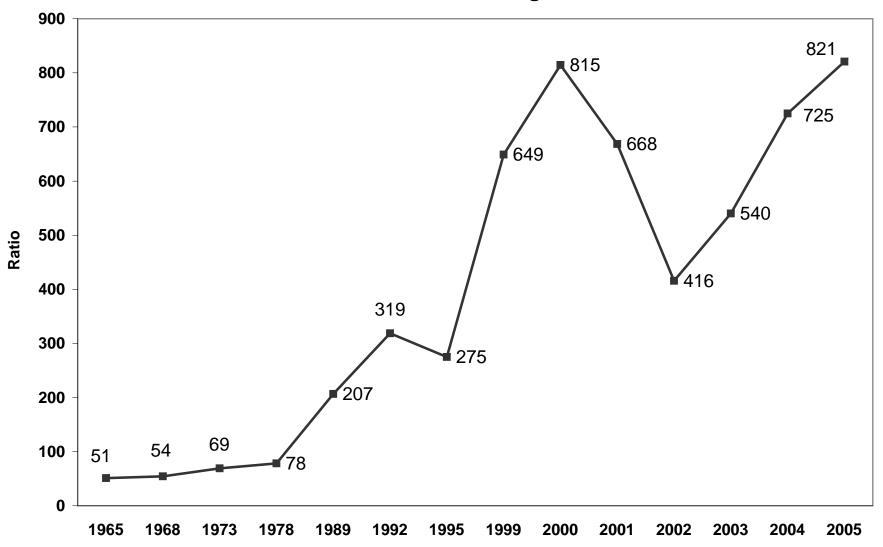








Ratio of CEO to minimum wage, 1965-2005



Source: Economic Policy Institute analysis of Mercer Survey data.